## Sanitized Approved For Release CIA

the Smrimorfion

- From STEPHEN BARBER CPYRGHT WASHINGTON.

seven o'clock on a brilli anny fine morning in June, 1954, the British freighter Springford (3,500 tons) was lying of the Pacific coast of Guatemaia, about to discharge her cargo of cotton into barges.

Suddenly a twin-boomed P 38 aircraft appeared and, without warning, dive-bombed the ship.. The first bomb—a 500-pounder—lanced on the deck a few feet from most of the crew but did not explode. Nor did the second. he third did. Miraculously, none of the crew was injured, but the ship was driven ashore and written of as a total loss.

To this day, not a penny of damages or compensation has ocen paid to the owners, the Springwell Shapping Company, All-they have recovered is £180,000 from London underwriters for the loss of the hull, which was insured arninst war risk.

And yet the circumstances of the wholly unprovoked attack on this unarmed and innocent ship are well known. Questions have been asked in the House of Commons, diplomatic and other Government action promised-all to no avail. -

For seven years the chairman of the Springwell Company, Capt. Peter Longton, struggled to obtain restitution. Then he gave up-until last year, when, in a series of articles published by The Sunday Telegraph about the American Central Intelligence Agency, ne at last learnt why his snip had been wrecked.

The story behind the affair this. In the early summer of 1954 it was decided in Washington that action must be taken to secure the overthrow of Guatemala's Leftwing President, Jacob Arbenz. Guzman. There was reason to believe that arms from behind the Iron Curtain were on their way to the republic, and that plans were afoot to make it a full-fledged Communist state.

In view of the threat this posed to neighbouring Central American states, not to mention the Panama Canal, with all the strategic implications this posed to America's desence, the C.I.A. was assigned the task of ousting Arbenz. Full support was therefore given to an American - trained exile. Carlos Castillo-Armaz, to stage a coup d'état.

An "instant airforce" of warsurplus fighter-bombers operating out of a base in El Salvador was duly furnished. American mercenaries flew these planes. One of thom, forry de Larm, carried out raids on the capital, knocking out the Shell Comprny's oil storage



epot outside the city. Ferdinand Frederick chupp, bombed the Springfjord

As a whole, the coup was a sucess. Indeed American officials cite t as a highlight of the C.I.A.'s

Mr. Richard Bissell, then Direcor of Plans, who was later dis-missed by President Kennedy after he Cuban invasion fiasco in 1963, penly admits this. Others have alked, too.

But the frankest account of the pringfjord raid was given by benor Rudolfo Mendoza, a ring eader in the Castillo-Armaz dventure, who flew as Major Schupp's wing-man on the fateful lay. He is now Director of Aviaion in Guatemala.

Said he in a tele-recorded nterview, which was granted an American broadcasting company out has never, intriguingly enough been shown:

"O.K. So we had this news a the base, that an English ship was approaching bringing some planes for the Government. There was three Spithres and pilots in it

"So we said: 'The best thing to do is sink the ship.

"So we take on the ship with the P38 with three bombs. One vas a 1,000-pounder, two were 600s.

"Schupp, in the first dive he made at the ship, the bomb didn't explode but it made a big hole, it went right through. Same vent right through.

"Then I saw the crew-some got fast boats and got away There was only one bomb left.

"Schupp dived in close to the ship and the bomb exploded . . and blew some of the elevator off his airplane. . . . ."

It turned out, of course, tha Spitfires. As a matter of fact, she was under time-charter to the American Grace Line and operat ing in the inter-American coasta specially and expensively fitter out

Shortly after the incident th



Above: Capt. Peter Longton, owner of the Springfjord. the ship before and after the bombing.

Springwell company sent a British Q.C., Mr. Rafael Valls, to Guatemala City to discuss the case. Mr. Valls was cordially received by the President and invited to dinner at his palace. The next morning he was handed a letter at his hotel ordering him to quit Guatemala by that evening.

Further efforts to obtain redress were no more successful. As Capt. Longton put it last week: "My associates and I were barking up the wrong tree. We tried to get restitution from the Guatemalans, but we should have been looking elsewhere.

As time went on, the amount in question grew. The claim—for loss of trading earnings, interest on the capital loss over 13 years, repatriation for the crew, insurance premiums, legal fees and the like, which was drawn up with the advice of the Board of Trade -all this amounted to over £1,100,000.

When, finally, Capt. Longton read The Sunday Telegraph's articies on the C.I.A., he immediately got in touch with Lamorte, Burns & Co., his firm's representatives in New York, asking them to look nto the matter again.

Burns wrote back to say that the law firm of Cichanowski & Callan had been in touch with the C.I.A. and the U.S. State Department in Washington, and were prepared to handle the claim on the basis of a 30 per cent, cut of the proceeds for themselves.

The idea of paying roughly a million dollars to an American firm to obtain restitution from the American Government did not greatly amuse Capt. Longton.

Last month he flew to Wash's ington, where he learnt that the files on the case had been passed by Mr. Lawrence Houston, the General Counsel for the C.I.A. to the State Department. appointment was arranged for him with Mr. Ernest Kerley, Assistant Legal Director, International Claims, at the State Department.

At this interview Capt. Longton told the American official that he did not wish to make an unseemly fuss or embarrass an ally, but that he did want the story looked into. He submitted a folio of his firm's claim.

Then, having heard nothing for three weeks, he sought a second meeting, which was granted. At this he was informed by Mr. Kerley that, while U.S. responsibility was not explicitly denied, he, Capt. Longton, would have to produce "affidavit proof" that the incident had taken place.

In the meantime, on Capt. Longton's behalf, I had questioned Richard Bissell, who is today working for the United Aircraft Company of East Hartford, Conmecticut.

Mr. Bissell agreed that in a recent television interview he had referred to the Guatemalan coup. which had been under his opera-tional control, but he hedged on the subject of the Springfjord.

"In the interview I referred to an incident that certainly went beyond the limits of established policy," he said. "I do not know I referred to the Springfjord. I think other people have connected the two up.

"As you probably know, she was sunk by a bomb from a Castillo-Arman alreraft. I think